

**CITY OF BISMARCK DEFERRED SICK LEAVE FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF SEPTEMBER 30, 2003**

	September-03					August-03				July-03				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Policy	Quarter	Month	Market Value	Allocation	Policy	Month	Market Value	Allocation	Policy	Month	FYTD	FY03	Ended	Ended
				Net ROR	Net ROR									Net	Net	6/30/2003	6/30/2003
																Net	Net
<b>LARGE CAP DOMESTIC EQUITY</b>																	
<i>Structured Growth</i>																	
Los Angeles Capital	9,445	1.5%	1.5%	N/A	-1.68%	9,920	1.6%	1.5%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	-	0.0%	0.0%	N/A	N/A	0	0.0%	0.0%	N/A	9,619	1.6%	1.5%	3.55%	N/A	-1.88%	-21.24%	N/A
<b>Total Structured Growth</b>	<b>9,445</b>	<b>1.5%</b>	<b>1.5%</b>	<b>4.99%</b>	<b>-1.68%</b>	<b>9,920</b>	<b>1.6%</b>	<b>1.5%</b>	<b>3.13%</b>	<b>9,619</b>	<b>1.6%</b>	<b>1.5%</b>	<b>3.55%</b>	<b>4.99%</b>	<b>-1.88%</b>	<b>-21.24%</b>	<b>N/A</b>
<i>Russell 1000 Growth</i>				3.92%	-1.07%				2.49%				2.49%	3.92%	2.94%	-21.54%	N/A
<i>Structured Value</i>																	
LSV	9,015	1.5%	1.5%	3.75%	-1.04%	9,389	1.5%	1.5%	3.27%	9,099	1.5%	1.5%	1.52%	3.75%	-2.25%	8.84%	N/A
<i>Russell 1000 Value</i>				2.06%	-0.98%				1.56%				1.49%	2.06%	-1.02%	-0.19%	N/A
<i>S&amp;P 500 Index</i>																	
State Street	41,598	6.7%	7.0%	2.64%	-1.07%	44,673	7.4%	7.0%	1.95%	43,820	7.2%	7.0%	1.77%	2.64%	0.23%	-11.28%	N/A
S&P 500				2.64%	-1.06%				1.95%				1.76%	2.64%	0.25%	-11.20%	N/A
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>60,057</b>	<b>9.7%</b>	<b>10.0%</b>	<b>3.15%</b>	<b>-1.16%</b>	<b>63,983</b>	<b>10.5%</b>	<b>10.0%</b>	<b>2.32%</b>	<b>72,157</b>	<b>11.9%</b>	<b>10.0%</b>	<b>2.00%</b>	<b>3.15%</b>	<b>-0.48%</b>	<b>-9.33%</b>	<b>N/A</b>
<i>S&amp;P 500</i>				2.64%	-1.06%				1.95%				1.76%	2.64%	0.25%	-11.20%	N/A
<b>SMALL CAP DOMESTIC EQUITY</b>																	
<i>Manager-of-Managers</i>																	
SEI	29,896	4.8%	5.0%	9.48%	-1.58%	34,429	5.7%	5.0%	4.83%	32,834	5.4%	5.0%	6.11%	9.48%	0.09%	N/A	N/A
<i>Russell 2000 + 200bp</i>				9.60%	-1.68%				4.75%				6.43%	9.60%	0.36%	N/A	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>29,896</b>	<b>4.8%</b>	<b>5.0%</b>	<b>9.48%</b>	<b>-1.58%</b>	<b>34,429</b>	<b>5.7%</b>	<b>5.0%</b>	<b>4.83%</b>	<b>32,834</b>	<b>5.4%</b>	<b>5.0%</b>	<b>6.11%</b>	<b>9.48%</b>	<b>0.09%</b>	<b>-3.49%</b>	<b>N/A</b>
<i>Russell 2000</i>				9.07%	-1.85%				4.58%				6.26%	9.07%	-1.63%	-3.30%	N/A
<b>CONVERTIBLES</b>																	
TCW	60,901	9.8%	10.0%	1.85%	0.22%	61,946	10.2%	10.0%	0.89%	61,376	10.1%	10.0%	0.74%	1.85%	10.23%	-9.51%	N/A
<i>First Boston Convertible Index</i>				2.67%	0.56%				1.64%				0.45%	2.67%	15.46%	-3.77%	N/A
<b>INTERNATIONAL EQUITY</b>																	
<i>Large Cap - Active</i>																	
Capital Guardian	48,422	7.8%	8.0%	8.14%	-0.27%	54,228	8.9%	8.0%	3.44%	52,397	8.6%	8.0%	4.82%	8.14%	-10.31%	-15.85%	N/A
<i>MSCI EAFE - 50% Hedged</i>				6.58%	0.41%				2.77%				3.28%	6.58%	-11.24%	-15.51%	N/A
<i>Small Cap - Value</i>																	
Lazard	6,572	1.1%	1.0%	9.92%	5.61%	6,662	1.1%	1.0%	3.09%	6,462	1.1%	1.0%	0.96%	9.92%	N/A	N/A	N/A
<i>Citigroup Broad Market Index &lt; \$2BN</i>				15.95%	5.70%				6.30%				3.20%	15.95%	N/A	N/A	N/A
<i>Small Cap - Growth</i>																	
Vanguard	6,376	1.0%	1.0%	14.95%	5.41%	6,475	1.1%	1.0%	4.08%	6,222	1.0%	1.0%	4.78%	14.95%	N/A	N/A	N/A
<i>SSB BROAD MARKET INDEX &lt; \$2BN</i>				15.95%	5.70%				6.30%				3.20%	15.95%	N/A	N/A	N/A
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>61,371</b>	<b>9.9%</b>	<b>10.0%</b>	<b>8.97%</b>	<b>0.86%</b>	<b>67,365</b>	<b>11.1%</b>	<b>10.0%</b>	<b>3.48%</b>	<b>65,081</b>	<b>10.7%</b>	<b>10.0%</b>	<b>4.40%</b>	<b>8.97%</b>	<b>-9.20%</b>	<b>-15.51%</b>	<b>N/A</b>
<i>MSCI EAFE - 50% Hedged</i>				6.58%	0.41%				2.77%				3.28%	6.58%	-11.24%	-15.51%	N/A
<b>DOMESTIC FIXED INCOME</b>																	
<i>Core Bond</i>																	
Western Asset	191,349	30.9%	30.0%	-0.16%	3.38%	176,089	29.0%	30.0%	1.31%	173,865	28.6%	30.0%	-4.69%	-0.16%	12.77%	11.23%	N/A
<i>Lehman Aggregate</i>				-0.14%	2.65%				0.66%				-3.36%	-0.14%	10.39%	10.07%	N/A
<i>Index</i>																	
Bank of ND	104,675	16.9%	18.0%	-0.46%	3.08%	97,073	16.0%	18.0%	0.60%	96,494	15.9%	18.0%	-4.00%	-0.46%	13.26%	10.87%	N/A
<i>Lehman Gov/Credit</i>				-0.50%	3.17%				0.66%				-4.19%	-0.50%	13.14%	10.82%	N/A
<i>BBB Average Quality</i>																	
Strong	80,215	13.0%	12.0%	0.02%	3.86%	76,114	12.5%	12.0%	1.39%	75,110	12.4%	12.0%	-5.01%	0.02%	17.91%	N/A	N/A
<i>Lehman US Credit BAA</i>				0.27%	3.97%				0.98%				-4.49%	0.27%	18.33%	N/A	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>376,239</b>	<b>60.8%</b>	<b>60.0%</b>	<b>-0.21%</b>	<b>3.40%</b>	<b>349,276</b>	<b>57.5%</b>	<b>60.0%</b>	<b>1.13%</b>	<b>345,469</b>	<b>56.9%</b>	<b>60.0%</b>	<b>-4.57%</b>	<b>-0.21%</b>	<b>13.18%</b>	<b>10.80%</b>	<b>N/A</b>
<i>Lehman Gov/Credit</i>				-0.50%	3.17%				0.66%				-4.19%	-0.50%	13.14%	10.82%	N/A
<b>CASH EQUIVALENTS</b>																	
<i>Bank of ND</i>	30,403	4.9%	5.0%	0.30%	0.10%	30,374	5.0%	5.0%	0.10%	30,603	5.0%	5.0%	0.10%	0.30%	1.57%	3.26%	N/A
<i>90 Day T-Bill</i>				0.25%	0.10%				0.08%				0.07%	0.25%	1.52%	3.33%	N/A
<b>TOTAL DEFERRED SICK LEAVE FUND</b>	<b>618,868</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.81%</b>	<b>1.87%</b>	<b>607,373</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.65%</b>	<b>607,519</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-1.67%</b>	<b>1.81%</b>	<b>8.77%</b>	<b>3.02%</b>	<b>N/A</b>
<i>POLICY TARGET BENCHMARK</i>				1.26%	1.80%				1.21%				-1.71%	1.26%	8.44%	3.48%	N/A

NOTE: Monthly returns and market values are preliminary and subject to change.